

CITY COUNCIL MEETING
September 1, 1993

REPORT BY LODI KING VIDEOCABLE COMPANY REGARDING RECENT
CABLE CHANGES

Deanna Enright, General Manager, King Videocable Company,
made a presentation regarding the recent cable changes due
to the Cable Consumer Protection Act and how it will affect
the public.

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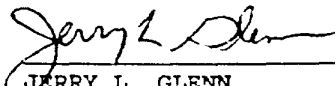
CITY OF LODI
MEMORANDUM FROM THE OFFICE OF THE ASSISTANT CITY MANAGER
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To: The Honorable Mayor and Councilmembers
From: Jerry L. Glenn, Assistant City Manager
Date: August 27, 1993

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We received the attached packet of material on Friday, August 27, 1993 at 3:15 p.m. This material will be mailed to each cable television subscriber next week. Newspaper advertisements will begin on Monday, August 30, 1993, and the Channel 3 television station will carry details.

King Videocable Company General Manager Deanna Enright will be at the City Council meeting on Wednesday, September 1, 1993 to address the Council and the public during the "Comments by the Public on Non-Agenda Items" segment of the Agenda.



JERRY L. GLENN
Assistant City Manager

Attachment

TABLE/TXTA.01V



King Videocable Company

1521 S. Stockton Street
Lodi, California 95240
209/369-7451

An Affiliate of King Broadcasting Company

August 26, 1993

Tom Peterson
City Manager, City of Lodi
221 West Pine Street
Lodi CA 95240

AUG 27 1993

City Manager's Office

Dear Tom:

Many local residents who subscribe to King Videocable cable TV service may soon be calling your office with questions about sweeping changes in their cable rates and program services brought about in part by the 1992 Cable Act. As part of King Videocable's on-going effort to give you advance information about how our compliance with the Act's new regulations will affect our customers - and help you answer their questions - we've compiled some highlights.

Starting September 1, many customers will see an immediate savings in their cable bills. Customers to our most-basic service will be especially pleased to see their rates drop significantly, by 27%. There are also savings for customers with more than one TV connected to cable.

Still, despite the many benefits most customers will enjoy, whether the total remains the same or goes down, and by what amount, depends on the exact program service packages customers receive, the number of TV sets connected to cable, and the type of cable equipment (like converter boxes) they use to receive cable service.

We will see a decrease in revenue under the new regulations. Pricing formulas were established by the Federal Communications Commission (FCC), the agency responsible for re-regulating the cable TV industry under the new Act. This has resulted in revised cable service packages and equipment rates. We've also made some additional changes such as renaming the service packages available to our customers. Here's how our new service offerings and the new rates stack up:

- * Basic is now called Lifeline.
- * BasicPlus is now called Basic.
- * A new A La Carte option now lets customers choose just 1 or up to 4 channels in a package called Expanded.

Please note that premium services like HBO and Cinemax are not affected by the new regulations. I have enclosed a new channel line up and rate listing.

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Many of our customers will benefit from these changes:

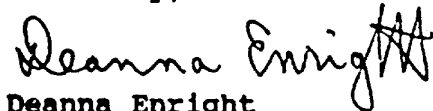
- * Lower prices for most cable customers.
- * Greater choice with A La Carte channel offerings.
- * Savings on additional TV sets hooked up to cable.

Cable viewers may also see a change in their broadcast channel lineup in coming weeks because after October 6, 1993, King Videocable is prohibited from carrying broadcast stations without the broadcasters' explicit, negotiated consent. As of now, we have not yet reached agreement with all broadcasters. We have added KCMY and KFTL to comply with the "Must Carry" provisions of the federal law. We're advising our customers that if agreement cannot be reached by October 6, King Videocable will be prohibited from carrying KCRA, KTXL, KXTV, KOVR, KRON, KTVU, or KICU. I'll update you - and my customers - as soon as we know which channels we are allowed to keep.

Every employee at King Videocable is working hard to minimize any negative impact of the new cable law on our customers. And while we can do a lot to explain the new regulations and make them easier to understand, the new rules are quite rigid. We'll continue to work within them in the customers' best interest.

If I can provide more information that would help you answer local residents' questions, or your questions, please don't hesitate to call me.

Sincerely,



Deanna Enright
General Manager

Starting September 1 Most King Videocable Customers Are In For Some Pleasant Surprises

What will the new Cable Act mean to you?

Your next King Videocable bill will reflect sweeping changes in rates, program service tiers and equipment charges. Subscribers to our most-basic service will be especially pleased to see that their rates are dropping up to 27%. We've also provided savings for customers who have more than one TV hooked up to cable.

Starting September 1, many subscribers will see an immediate savings in their cable bills. The savings will vary depending on the exact program service packages you receive, the number of TV sets connected to cable, and the type of equipment you use (like converter boxes) to receive cable service.

Please take a few minutes to examine the information and new channel lineup we've provided. Then keep this literature as reference to help you understand your next cable bill. You don't need to call us to continue receiving your existing services. If you do have questions, our customer service representatives will do their best to answer them. But please be patient; our phone lines may be busier than usual during this hectic period of change.

How Did We Arrive At The New Rates?

Formulas for setting new rates were established by the Federal Communications Commission (FCC), the government agency responsible for re-regulating the cable television industry under the new Act. This has resulted in revised cable subscription and equipment rates, and new cable channel packages.

Now There Are More Choices Than Ever Before!

We've also made some additional changes, such as renaming the service packages available to you.

- **Basic** is now called **Lifeline**.
- **BasicPlus** is now called **Basic**.
- A new **A La Carte** option now lets you choose just 1 or up to 4 channels in a package called **Expanded**.

Please refer to the enclosed Channel-Rate Card. This provides detailed information on all of these changes.

Under requirements of the new law, your cable bill now separates (and lists separately) the charges for cable equipment that were once provided as part of selected service packages. This means that the charge for the remote will now be separated from the charge for the converter. Remember, you do not need to call us to continue receiving your existing cable services.

The Benefits To Our Subscribers Are Many

Most of our customers will benefit from these changes with lower rates and new services. The new rate structure gives many subscribers some new advantages:

- **Greater choice** in entertainment with A La Carte channel offerings.
- **Savings** on additional TV sets hooked up to cable service.
- **Reduced rates** for remote converter rental.

A New Look In Your Cable Bill. And In Your Channel Line-up.

Starting in September, every King Videocable bill will have a new look. Take a minute to review this sample cable bill. Keep in mind this is only a sample. Your personal bill will show the same services and equipment you have been receiving all along from us, but they will be shown in a new, itemized format.

- ② Program services will be listed separately.
- ② Monthly equipment charges for converter boxes and remote controls will now be "unbundled" and itemized on your bill (charged for separately).

Notification of Possible Changes in Cable Delivery of Broadcast TV Stations.

The new federal law also brings changes in our ability to carry local broadcast stations on the cable system. The law has authorized local broadcast stations, regardless of viewer popularity, to choose either guaranteed transmission on a preferred channel position -- or the right to negotiate for compensation from the cable company to retransmit their station. On September 1 we will be adding KCMY and KFTI, to comply with the "Must Carry" provisions of the federal law. We will also be adding the TV Food Network.

We do not believe that cable customers should have to pay to view broadcast stations that are available over-the-air for free. As of now, we have not yet reached agreement with all local broadcasters. We are notifying you that if an agreement cannot be reached by October 6, we will be prohibited by law from carrying KCRA, KXTV, KOVR, KRON, KTXL, KICU and KTVU on our cable system. We at King Videocable want to continue to carry these local broadcast stations. **Only the broadcaster can make the choice to be dropped from our cable system.**

We'll keep you informed about programming changes brought about by the new regulations. And we'll do our best to protect your best interests.

We're working hard -- not only to comply with the new cable law -- but to minimize any negative impact on you. And while we can do a lot to make your bill easier to read, the regulations are quite rigid. We'll continue to work within them in your best interest.

Local

PLEASE RETURN THIS PORTION WITH PAYMENT IN ENCLOSED ENVELOPE

☐ IF PAYING BY CHECK, PLEASE PRINT YOUR NAME AND ADDRESS ON THE ENVELOPE

RECEIVED

NAME AND ADDRESS OF CUSTOMER

John Doe
1 Main Street
Hometown, USA 000000

PLEASE SEND TO

PLEASE SEND ALL CORRESPONDENCE TO YOUR LOCAL OFFICE

Your Connection to Quality Service

To be in compliance with new federal law, individual charges must be itemized on your bill. The charge for your regular service will now be listed along with any equipment, premium channels, pay-per-view movie, or events.

CABLE TV STATEMENT

NAME: [] ADDRESS: [] CITY: [] STATE: [] ZIP: []

PERIOD: Sep 1 thru Sep 30

DATE	DESCRIPTION OF SERVICE	AMOUNT
	Previous balance	0.00
Sep 1	Lifetime	0.00
Sep 1	Basic	0.00
Sep 1	Converter	0.00
Sep 1	Remote	0.00
Sep 1	Expanded	0.00

(A la carte services for Expanded will be listed here)

DUE DATE: 10/3/93 AMOUNT DUE: 0.00

We pledge to provide excellent value and variety in entertainment and information, because we know that's why you subscribe to cable television.

Thanks for your patience as we put these complex new regulations into action. And, as always, thanks for being a King Videocable customer. We value your business.

King Videocable Company, Lodi
Summary of Rates and Services

Monthly Service Rates

<u>CURRENT</u>	
Basic	\$ 14.00
BasicPlus	\$ 7.95
Additional Outlet	\$ 4.25
Converter	\$ 3.00
Converter w/ Remote Control	\$ 3.50

<u>SEPTEMBER 1, 1993</u>	
Lifeline	\$ 10.13
Basic	\$ 9.06
Expanded	\$ 2.76
(TNT, TBS, TNN, and Nostalgia)	
Expanded Per Channel	\$ 1.00
Additional Outlet	\$.00
Converter	\$ 1.51
Converter for Remote Control	\$ 1.51
Hand Held Remote Control	\$.14

Installation Rates

<u>CURRENT</u>	
New Connect/Underground	\$ 60.00
New Connect/Overhead	\$ 60.00
Reconnect/Underground	\$ 60.00
Reconnect/Overhead	\$ 60.00
Additional Outlet at	
Time of Install	\$ 20.00
Additional Outlet at	
Later Date	\$ 35.00
Change of Service (Upgrade)	\$ 10.00
Relocate Outlet	\$ 35.00
VCR Hookup	\$ 35.00
A/B Switch	\$ 10.00
Converter Installation	\$ 10.00
Hourly Service Charge	\$.00

<u>SEPTEMBER 1, 1993</u>	
New Connect/Underground	\$ 87.00
New Connect/Overhead	\$ 52.00
Reconnect/Underground	\$ 40.00
Reconnect/Overhead	\$ 40.00
Additional Outlet at	
Time of Install	\$ 11.00
Additional Outlet at	
Later Date	\$ 26.00
Change of Service (Upgrade)	\$ 30.00
Relocate Outlet	\$ 26.00
VCR Hookup	\$ 30.00
A/B Switch	\$ 30.00
Converter Installation	\$ 30.00
Hourly Service Charge	\$ 34.83

Channel Guide (Effective 9-1-93)

19	KCSO (Univision)	2
	KING 3 (Local Programs)	3
31	KRBK (Ind.)	4
QVC	Home Shopping	5
6	KVIE (PBS)	6
3	KCRA (NBC)	7
40	KTXL (FOX)	8
10	KXTV (CBS)	9
58	KSCH (Ind.)	10
36	KICU (Ind.)	11
13	KOVR (ABC)	12
CSP	C-SPAN I	13

*DIS	The Disney Channel	14
*SHO	Showtime	15
*MAX	Cinemax	16
*HBO	Home Box Office	17

**29	KCMY (Ind.)	18
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19	Reserved for Pay-Per-View	19
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*TMC	The Movie Channel	20
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4	KRON (NBC)	21
2	KTVU (FOX)	22
CSP	C-SPAN II	23
7	KGO (ABC)	24
**64	KFTL (Ind.)	25
HSN	Home Shopping Network	26

TNT	Turner Network Television	28
TBS	TBS Superstation	29
TNN	The Nashville Network	30
NOS	The Nostalgia Network	31

NICK	Nickelodeon	33
ESPN	ESPN	34
A&E	Arts & Entertainment	35
LIF	Lifetime	36
MTV	MTV: Music Television	37
CNN	Cable News Network	38
FAM	The Family Channel	39
CNN	CNN - Headline News	40
DSC	The Discovery Channel	41
VH1	Video Hits One	42
COM	Comedy Central	43
ETWC	The Weather Channel	44
TO	The Travel Channel	45
USA	The USA Network	46
VIS	VISN/ACTS	47
AMC	American Movie Classics	48
TVFN	TV Food Network	49

☐ Lifeline ☐ Expanded ☐ Basic

* Premium Channel ** New Channel